



1995 SENATE BILL 560

February 21, 1996 - Introduced by Senator DARLING, cosponsored by Representative COLEMAN, by request of Governor Tommy G. Thompson. Referred to Committee on Education and Financial Institutions.

1 **AN ACT** *to renumber and amend* 118.40 (1); *to amend* 16.992 (2) (intro.), 16.992
2 (6), 16.992 (8) (a), 115.001 (1), 118.40 (1m) (a), 118.40 (1m) (b) 15., 118.40 (2) (b)
3 (intro.), 118.40 (2) (c), 118.40 (5) (intro.) and (a), 118.40 (6), 118.40 (7) (a),
4 121.004 (7) (a) and 121.02 (1) (a) 2.; and *to create* 16.992 (1) (am), 118.40 (1),
5 118.40 (1m) (am), 118.40 (1m) (b) 16. and 17., 118.40 (2) (am), 118.40 (3) (am),
6 118.40 (10) and 121.51 (2) of the statutes; **relating to:** authorizing the board
7 of regents of the University of Wisconsin System and the board of control of a
8 cooperative educational service agency to establish a charter school and
9 granting rule-making authority.

Analysis by the Legislative Reference Bureau

Current law authorizes a school board to contract for the operation of a school as a charter school. A charter school is exempt from most laws governing public schools. This bill makes a number of changes in the laws governing charter schools, including the following:

1. Currently, a school board may on its own initiative contract with any person to operate a charter school or may do so in response to a petition filed with the school board and signed by at least 10% of the teachers employed by the school district or by at least 50% of the teachers employed at one school of the school district. This bill allows a nonstock, nonprofit corporation that is unaffiliated with any religious organization to file a petition with an alternative sponsor (the board of regents of the University of Wisconsin System or the board of control of a cooperative educational agency) to establish a charter school. The alternative sponsor must either grant or

deny the petition within 60 days after receiving it. The board of control of a cooperative educational service agency may not grant a petition for the establishment of a charter school located outside the territory of the agency.

2. Currently, the Milwaukee Public Schools (MPS) must grant or deny a petition within 30 days after MPS holds a mandatory public hearing on the petition. If MPS denies a petition, the person seeking to establish the charter school may appeal the denial to the department of education (DOE). DOE's decision on appeal is final and not subject to judicial review. This bill makes these provisions applicable to all petitions to establish charter schools that are filed with school boards.

3. Under this bill, if an alternative sponsor grants a petition and contracts with the nonprofit corporation to operate a charter school, the contract must specify the manner in which the alternative sponsor will supervise the operation of the charter school and the amount to be paid by the school board of the school district in which the charter school is located to the charter school for each pupil enrolled in the charter school. (Only a pupil who resides in the school district in which a charter school established by an alternative sponsor is located may attend that charter school.) The amount to be paid is the tuition that the school district would charge a nonresident pupil.

4. As mentioned above, current law provides that the statutes governing school districts and public schools do not apply to charter schools, with certain specified exceptions. Thus, a school district is not required to transport a pupil to and from the charter school that the pupil attends. This bill provides that charter schools established by alternative sponsors are private schools for the purpose of the pupil transportation statutes. The bill thus requires a school board to transport a pupil who resides in the school district and attends a charter school established by an alternative sponsor to and from the charter school on the same basis and under the same conditions as if the pupil were attending a private school.

5. The bill makes charter schools eligible for pioneering partners grants, which are grants to implement, expand or participate in an educational technology or distance education project. Currently, school boards and municipal and county library boards are eligible for such grants.

6. Currently, except for charter schools located in the territory of MPS, a charter school is an instrumentality of the school district in which it is located and the school board of that school district must employ all personnel for the charter school. This bill also exempts charter schools established by alternative sponsors from these 2 provisions.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 16.992 (1) (am) "Charter school" has the meaning given in s. 115.001 (1).

2 **SECTION 2.** 16.992 (2) (intro.) of the statutes, as created by 1995 Wisconsin Act
3 27, is amended to read:

4 16.992 (2) (intro.) A school district, municipal library board established under
5 s. 43.54 or county library board established under s. 43.57, either individually or in
6 conjunction with one or more other school districts, municipal library boards or
7 county library boards, may apply to the department for a grant, or for approval of a
8 loan under s. 24.61 (3) (d), or both, to implement, expand or participate in an
9 educational technology or distance education project. A charter school, either
10 individually or in conjunction with one or more other charter schools or one or more
11 other entities that are eligible to apply for a grant or loan under this subsection, may
12 apply to the department for a grant to implement, expand or participate in an
13 educational technology or distance education project. The application shall be
14 accompanied by a technology plan that includes all of the following:

15 **SECTION 3.** 16.992 (6) of the statutes, as created by 1995 Wisconsin Act 27, is
16 amended to read:

17 16.992 (6) The board may require a grant or loan recipient to report to the board
18 on the distance education and educational technology used in the school district,
19 charter school, municipality or county for the purpose of assisting the state in
20 planning related to distance education and educational technology if the board finds
21 that complying with the requirement will not impose a substantial burden on the
22 grant or loan recipient.

23 **SECTION 4.** 16.992 (8) (a) of the statutes, as created by 1995 Wisconsin Act 27,
24 is amended to read:

1 16.992 (8) (a) Provide consultative services to school boards, charter schools
2 and library boards to assist them in developing and implementing distance
3 education and educational technology projects and in preparing applications for
4 grants and loans under this section.

5 **SECTION 5.** 115.001 (1) of the statutes is amended to read:

6 115.001 (1) CHARTER SCHOOL. "Charter school" means a school under contract
7 with a school board or alternative sponsor under s. 118.40.

8 **SECTION 6.** 118.40 (1) of the statutes is created to read:

9 118.40 (1) DEFINITIONS. In this section:

10 (a) "Alternative sponsor" means the board of regents of the University of
11 Wisconsin System and a board of control of a cooperative educational service agency.

12 (b) "Corporation" means a nonstock, nonprofit corporation that is organized
13 under ch. 181 and that is not affiliated with any religious organization.

14 **SECTION 7.** 118.40 (1) of the statutes, as affected by 1995 Wisconsin Act 27, is
15 renumbered 118.40 (1g) and amended to read:

16 118.40 (1g) NOTICE TO DEPARTMENT. Whenever a school board intends to
17 establish a charter school or an alternative sponsor receives a petition under sub.
18 (1m) (am), it shall notify the department of its intention. The notice shall include a
19 description of the proposed school.

20 **SECTION 8.** 118.40 (1m) (a) of the statutes is amended to read:

21 118.40 (1m) (a) A written petition requesting the school board to establish a
22 charter school under this section may be filed with the school district clerk. ~~The~~
23 ~~petition~~ If the petition is filed by a person other than a corporation, it shall be signed
24 by at least 10% of the teachers employed by the school district or by at least 50% of
25 the teachers employed at one school of the school district.

1 **SECTION 9.** 118.40 (1m) (am) of the statutes is created to read:

2 118.40 **(1m)** (am) A corporation may file a written petition with an alternative
3 sponsor requesting the alternative sponsor to establish a charter school.

4 **SECTION 10.** 118.40 (1m) (b) 15. of the statutes is amended to read:

5 118.40 **(1m)** (b) 15. The effect of the establishment of the charter school on the
6 liability of the school district or, if the petition is filed by a corporation under par.
7 (am), the effect of the establishment of the charter school on the liability of the
8 alternative sponsor.

9 **SECTION 11.** 118.40 (1m) (b) 16. and 17. of the statutes are created to read:

10 118.40 **(1m)** (b) 16. If the petition is filed by a corporation, a copy of the
11 corporation's articles of incorporation, a copy of the bylaws of the corporation, the
12 names of the directors of the corporation and the names of the officers of the
13 corporation.

14 17. If the petition is filed by a corporation under par. (am), the name of the
15 school district in which the charter school will be located, the estimated budget of the
16 charter school in its first year of operation and the estimated cost per pupil enrolled
17 in the charter school.

18 **SECTION 12.** 118.40 (2) (am) of the statutes is created to read:

19 118.40 **(2)** (am) An alternative sponsor shall either grant or deny a petition
20 under sub. (1m) (am) within 60 days after receiving it and shall notify the
21 department of the alternative sponsor's decision.

22 **SECTION 13.** 118.40 (2) (b) (intro.) of the statutes, as affected by 1995 Wisconsin
23 Act 27, is amended to read:

24 118.40 **(2)** (b) (intro.) An alternative sponsor may not grant a petition that
25 would convert a public school to a charter school. The board of control of a cooperative

1 educational service agency may not grant a petition for the establishment of a
2 charter school located outside the territory of the agency. A school board may grant
3 a petition that would result in the conversion of all of the public schools in the school
4 district to charter schools if all of the following apply:

5 **SECTION 14.** 118.40 (2) (c) of the statutes, as created by 1995 Wisconsin Act 27,
6 is amended to read:

7 118.40 (2) (c) The school board ~~of the school district operating under ch. 119~~
8 shall either grant or deny the petition within 30 days after the public hearing. If the
9 school board ~~of the school district operating under ch. 119~~ denies a petition, the
10 person seeking to establish the charter school may, within 30 days after the denial,
11 appeal the denial to the department. The department shall issue a decision within
12 30 days after receiving the appeal. The department's decision is final and not subject
13 to judicial review under ch. 227.

14 **SECTION 15.** 118.40 (3) (am) of the statutes is created to read:

15 118.40 (3) (am) If an alternative sponsor grants a petition under sub. (2) (am),
16 the alternative sponsor shall contract with the corporation to operate the school as
17 a charter school under this section. The contract may be for any term not exceeding
18 5 school years and may be renewed for one or more terms not exceeding 5 school
19 years. The contract shall include all of the provisions specified in the petition and
20 may include other provisions agreed to by the parties. The contract shall also specify
21 the manner in which the alternative sponsor will supervise the operation of the
22 charter school and the amount to be paid by the school board of the school district in
23 which the charter school is located to the charter school for each pupil enrolled in the
24 charter school. That amount shall be the amount calculated as tuition for the pupil
25 under s. 121.83, determined as if the school district were the agency of service. The

1 school board shall pay the specified amount to the charter school in 4 equal
2 instalments due in September, December, March and June unless the alternative
3 sponsor and the corporation agree to a different payment schedule.

4 **SECTION 16.** 118.40 (5) (intro.) and (a) of the statutes are amended to read:

5 118.40 (5) CHARTER REVOCATION. (intro.) A charter may be revoked by the school
6 board or alternative sponsor that contracted with the charter school if the school
7 board or alternative sponsor finds that any of the following occurred:

8 (a) The charter school violated its contract with the school board or alternative
9 sponsor.

10 **SECTION 17.** 118.40 (6) of the statutes is amended to read:

11 118.40 (6) (title) PROGRAM VOLUNTARY; ATTENDANCE RESTRICTED. No pupil may
12 be required to attend a charter school without his or her approval, if the pupil is an
13 adult, or the approval of his or her parents or legal guardian, if the pupil is a minor.
14 A pupil may attend a charter school established by an alternative sponsor only if the
15 charter school is located in the school district in which the pupil resides.

16 **SECTION 18.** 118.40 (7) (a) of the statutes, as affected by 1995 Wisconsin Act 27,
17 is amended to read:

18 118.40 (7) (a) A charter school is an instrumentality of the school district in
19 which it is located and the school board of that school district shall employ all
20 personnel for the charter school. This paragraph does not apply to charter schools
21 located in the school district operating under ch. 119 or to charter schools established
22 by alternative sponsors.

23 **SECTION 19.** 118.40 (10) of the statutes is created to read:

24 118.40 (10) RULES AND BYLAWS. The board of regents of the University of
25 Wisconsin System shall promulgate rules, and the annual convention for each

1 cooperative educational service agency shall adopt bylaws, establishing the
2 procedure for reviewing and either granting or denying petitions submitted under
3 sub. (1m) (am). An alternative sponsor may not grant a petition unless such rules
4 or bylaws are in effect.

5 **SECTION 20.** 121.004 (7) (a) of the statutes is amended to read:

6 121.004 (7) (a) "Pupils enrolled" is the total number of pupils, as expressed by
7 official enrollments, in all schools of the school district, including charter schools
8 located in the school district, except as provided in pars. (b) to (d). If such total
9 contains a fraction, it shall be expressed as the nearest whole number. The same
10 method shall be used in computing the number of pupils enrolled for resident pupils,
11 nonresident pupils or both.

12 **SECTION 21.** 121.02 (1) (a) 2. of the statutes is amended to read:

13 121.02 (1) (a) 2. Ensure that all instructional staff of charter schools located
14 ~~in~~ under contract with the school district board hold a license or permit to teach
15 issued by the department. The department shall promulgate rules defining
16 "instructional staff" for purposes of this subdivision.

17 **SECTION 22.** 121.51 (2) of the statutes is created to read:

18 121.51 (2) "Private school" includes a charter school established by an
19 alternative sponsor.

20 **SECTION 23. Initial applicability.**

21 (1) The treatment of section 118.40 (2) (c) of the statutes first applies to a
22 petition filed with a school board on the effective date of this subsection.

23 (END)